Yes, Sir. The new commercial and investment policies of the National Thermal Power Corporation (NTPC) require implementation of certain measures to address the issue of outstanding dues from the State Electricity Boards (SEBs) including the following :—

(i) signing of Bulk Power Supply Agreements (BPSAs) with SEBs.

(ii) regulating power supplies by NTPC from its power stations, wherever physically and technically feasible, in case of non-compliance with agreed financial and commercial terms including appropriate Letter of Credit (LC).

(iii) delaying new investment in a State if it is not in compliance with the terms of BPSA and undertaking projects in one region with substantial part of the output to be allocated in other region.

(iv) charging of penal rates for drawal of power exceeding LC coverage.

(c) and (d). The World Bank has approved a loan of US Dollars 400 million to the NTPC for the NTPC Power Generation Project. The loan is repayable in 20 years including a five year grace period at the Bank's standard variable interest rate. The major conditions of the loan are :—

(a) The NTPC shall take all steps necessary to maintain its accounts receivable at the level not exceeding an amount equivalent to the proceeds of its Sales of power for the two preceding months.

(b) The NTPC shall take all such measures (including, without limitation, adjustments of the structure and levels of its tariffs) as shall be required to produce in the financial year beginning April 1, 1993, funds from internal sources equivalent to not less than fifteen per cent (15 per cent) of the annual average of the NTPC's capital expenditures incurred or expected to be incurred during the previous, current and following financial year, and not less than twenty per cent (20 per cent) in each financial year thereafter.

(c) The NTPC shall implement a resettlement action plan as agreed upon between the Bank and the NTPC in a timely manner.

(d) The NTPC shall: (i) carry out socio-economic surveys not later than December 31, 1994, to ascertain the present socio-economic status of persons affected by the On-going Projects of the NTPC; (ii) based upon such surveys, draw up wherever necessary remdial action programmes, in consultation with the Bank, which have as their objective the phased restoration of the economic base of the persons so affected; and (iii) thereafter, implement such remedial action programmes.

(e) The NTPC shall implement the Environmental Action Plan agreed upon between the Bank and the NTPC.

(f) The NTPC shall enter into Bulk Power Supply Agreements with all the SEBs on a regional basis.

The NTPC is in compliance of the covenants of the World Bank loan.

(e) The Government of India have decided to realise the outstanding dues of NTPC in respect of major defaulting State Electricity Boards through appropriation of Central Plan Assistance of the States to reduce receivables to within two months' average billing as on 1st April 1994.

Losses of State Electricity Boards

1033. SHRI JANARDHANA POOJARY : Will the Minister of POWER be pleased to state :

(a) what were the amount of commercial losses suffered by State Electricity Boards during the last three years and so far in 1994;

(b) what were the losses suffered by the State Electricity Boards on account of supply of electricity to agriculture during the above period;

(c) the reasons for the losses; and

(d) the measures Government propose to take to cut the losses ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU) : (a) As per Planning Commission's estimates on all India basis, the commercial losses suffered by the State Electricity Boards during 1991-92, 1992-93, 1993-94 were as under :—

Year	Amount (Rs. in crores)	
	With subsidy	Without subsidy
1991-92	2004.74	4021.19
1992-93	2435.18	4685.92
1993-94 (RE)	2961.65	4992.36

(b) As per the data compiled by the Planning Commission, the subsidy provided for agricultural sector by 17 SEBs was as follows :

Year	Amount (Rs: in crores)
1991-92.	5859.00
1992-93.	7363.00
1993-94.	8349.00

(c) The major reasons for the losses of SEBs include unscientific power tariff structure including for the agricultural tariff, non-payment of RE subsidy to SEBs by the State Governments, non-conversion of loan into equity, low level of PLF, high T and D losses, high fuel consumption in thermal power stations etc.

(d) State Governments have been advised to undertake measures such as rationalised tariff, regular payment of rural electrification subsidy, improvement in Plant Load Factor, reduction in T and D losses etc. to improve the finances of the State Electricity Boards and to reduce their losses. The Conference of the Power Ministers held on 8th and 9th January, 1993 also discussed the ways and means to improve the performnce of SEBs, both in physical and financial terms, and had adopted an Action Plan which included, inter-alia, liquidation of arrears of subsidy in a phased manner, reduction in outstanding dues, tariff rationalisation, fixation of minimum agricultural tariff, supply of electricity on metered basis etc. Besides, theft of electricity has been made a cognizable offence.

Counter-Guarantee Agreement for Dhabol Power Project

1034. SHRI JANARDHANA POOJARY: Will the Minister of Power be pleased to state:

(a) whether counter guarantee agreement with U.S. multi-national for setting up of the 2000 MW Power Project at Dhabol in Maharashtra has been finalised;

(b) if so, the details thefeof; and

(c) if not, the reasons for the delay?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU)- (a) No, Sir.